Provider E-Newsletter

Volume II - Summer 2005

Upcoming Issues

- **ClaimCheck**
- **FAMIS Select Program**
- **ARS/Web Registration**
- **New Day Support Waiver**

COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

Dear Provider:

Here's hoping the summer finds everyone well. For providers new to the E-Newsletter, welcome and thank you for your participation. This is our second E-Newsletter (summer edition) made available only to providers who request to receive it.

The intent of the newsletter is to inform, communicate, and share important program information with you. The type of information you can expect in the newsletter will include upcoming changes in claims processing, common problems with billing, training opportunities, new programs and/or changes in existing programs, and other information that may directly impact your practice.

Please share this information with colleagues and encourage them to sign up at www.dmas.virginia.gov/pr-provider_newletter.asp. Improved accuracy and timeliness of communication is critical to the DMAS mission and commitment to our provider community.

Thank you for your support of the Virginia Medicaid and FAMIS programs and for serving Virginia's Medicaid and FAMIS clients.

Sincerely,

Patrick W. Finnerty
Director

Smiles For Children Dental Program is Here

The Department of Medical Assistance Services (DMAS) is proud to announce a new pediatric dental program, *Smiles For Children,* implemented on July 1, 2005. The new program was developed in collaboration with the Virginia Dental Association, the Old Dominion Dental Society, and the dental community.

Smiles For Children consolidates pediatric dental services for approximately 400,000 Medicaid and FAMIS children enrolled in both fee-for-service (FFS) and managed care organization (MCO) programs through the use of a single Dental Benefits Administrator (DBA). DMAS selected Doral Dental as the DBA in early April 2005, and has worked with Doral to ensure a smooth transition to *Smiles For Children*.

> As of June 30, 2005, Virginia Medicaid's dental network consists of 1,109 provider office locations - a net gain of approximately 120 dentists statewide, from 620 to 740 providers.

> Doral Dental USA (Doral), the new DMAS Dental Benefits Administrator, administers the new program. They can be reached by phone at 1-888-912-3456 and online at www.doralusa.com.

Children in the Medicaid, FAMIS, and FAMIS Plus programs will continue to receive the same dental benefits at no cost to them under the *Smiles For Children* program. Families of enrolled children will receive a new member handbook describing the services covered and a provider directory from Doral listing the participating dentists.

> *Smiles For Children* is designed to improve access to and increase utilization of dental services.

> *Smiles For Children* merged six networks into one network and created a consolidated network directory. Existing Medicaid providers were grandfathered into the network. The program operates under a simplified credentialing process.

DMAS encourages primary care providers to let families know that they can call *Smiles For Children* at 1-888-912-3456 for questions about dental services or for assistance in finding a dentist.

Providers can obtain the most up-to-date program information by accessing the DMAS *Smiles For Children* web page at http://www.dmas.virginia.gov/dental-home.htm or by contacting DMAS at smiles@dmas.virginia.gov.

New FAMIS MOMS Program

On August 1, 2005, FAMIS (Family Access to Medical Insurance Security) added coverage for pregnant women under a new program called **FAMIS MOMS**. Under current guidelines, Medicaid covers pregnant women with a family income equal to or below 133% of the Federal Poverty Level (FPL). **FAMIS MOMS** covers eligible women who fall above the Medicaid income limit but less than or equal to 150% of the FPL.

Family Size	133% FPL	150% FPL
2	$17,064 yr	$19,245 yr

*A single pregnant woman is considered a family size of two.
**Income amounts effective until 2006.

Covered Services
Women enrolled in **FAMIS MOMS** will be provided the same coverage that pregnant women enrolled in Medicaid currently receive. **FAMIS MOMS** enrollees will be given the same covered services, service limitations, and pre-authorization requirements as Medicaid-covered pregnant women. In addition, women enrolled in **FAMIS MOMS** will be subject to the same co-payments that are currently charged to Medicaid-covered pregnant women for non-pregnancy related services.

Billing
Providers should use the same billing codes and billing procedures as they currently use for services provided to a Medicaid-covered pregnant woman. All providers who are approved to bill for Medicaid services to pregnant women are also approved to bill in the same manner for services provided to a pregnant woman enrolled in **FAMIS MOMS**.

Newborn Enrollment
An important difference to make note of between the **FAMIS MOMS** program and the Medicaid program concerns the enrollment of the newborn baby. Once the baby is born to a **FAMIS MOMS** enrollee, the baby will *not* be automatically enrolled into the FAMIS or Medicaid program. The mother must apply for the baby's coverage, and a signed application must be received within the month in which the baby is born to ensure that birth-related expenses will be covered if the baby is found eligible for FAMIS.

How to Apply
Pregnant women should apply for coverage for themselves and/or for the newborn baby through the FAMIS Central Processing Unit (CPU) at 1-866-87FAMIS (1-866-873-2647), their local Department of Social Services (DSS) office, or online at www.famis.org.

Provider Call Center Facts

DMAS continues to strive for increased quality at our Call Center, and significant progress is currently being made towards this goal.

The Call Center's average talk time has decreased by over 20% since the inception of the new Automated Call Distribution System in January 2005, allowing existing staff to address the concerns of more callers.

National Provider Identifier (NPI) is Coming

The standard unique health care National Provider Identifier (NPI) is part of the HIPAA (Health Insurance Portability and Accountability Act) Administration Simplification Regulations.

The final rule, published on January 23, 2004, established a standard unique identifier for all health providers under HIPAA. The rule implements federally mandated administrative simplification initiatives that have a national health care scope beyond Medicare and Medicaid.

HIPAA defined a covered entity as a Health Care Provider, Clearinghouse, or Health Plan that conducts standard electronic transactions. The transactions include claims, eligibility inquiry and responses, claims status inquiries and responses, referrals, and remittance advices. The final rule for the NPI requires a "covered entity" Health Care Provider to obtain a NPI. "Health Care Providers who are not covered entities are encouraged to comply with the NPI, although not required" (page 3434 of Final Published NPI Rule).

In order to comply with the federal mandate regarding the NPI, DMAS is targeting January 1, 2007, as the starting date for accepting either the NPI or Medicaid Identifiers in the transactions from trading partners. DMAS plans to notify providers six months in advance of the actual starting date of the transition implementation.

The Centers for Medicare and Medicaid Services (CMS) have announced the availability of a new identifier for use in the standard electronic health care transactions. To read about the NPI Activities, which began in 2005, go to:

 http://www.cms.hhs.gov/hipaa/hipaa2/regulations/identifiers/default.asp

The following information was obtained from the CMS List server:

> "Starting May 3, 2005, all health care providers can apply for their National Provider Identifier (NPI). The NPI will replace healthcare provider identifiers in use today in standard healthcare transactions. All HIPAA-covered entities except small health plans must begin using the NPI on May 23, 2007; small health plans have until May 23, 2008. For additional information and to complete an application, go to https://nppes.cms.hhs.gov."

Applicability

Health care providers include individuals, such as physicians, dentists, pharmacists, and service providers as well as organizations, such as hospitals, nursing homes, pharmacies, and group practices. Health care providers who transmit health information electronically in connection with any of the HIPAA standard transactions are required by the NPI Final Rule to obtain NPIs, even if they use business associates, such as billing agencies, to prepare the transactions.

The NPI will replace health care provider identifiers that are in use today in standard transactions. Implementation of the NPI will eliminate the need for health care providers to use different identification numbers to identify them when conducting standard transactions with multiple health plans. Many health plans, including Medicare, Medicaid, private health insurance issuers,

and all health care clearinghouses, must accept and use NPIs in standard transactions by May 23, 2007. Small health plans have until May 23, 2008. After those compliance dates, health care providers may use only their NPIs to identify themselves in standard transactions, where the NPI is called for.

National Provider Identifier (NPI)

The NPI is a 10-digit number and the standard unique identifier for health care providers. It will replace the use of all legacy provider identifiers (e.g., UPIN, Medicaid Provider Number, Medicare Provider Number, Blue Cross and Blue Shield Numbers) in standard transactions as of the compliance date, May 23, 2007. It is intended to simplify transactions, including claims and COB (Coordination of Benefits), and save money in the long term.

For the specifications for the NPI, go to:

http://www.cms.hhs.gov/hipaa/hipaa2/regulations/identifiers/providerNPRM/npichk-2-23-04.pdf

NPI Frequently Asked Questions

Who is eligible for a National Provider ID (NPI)?

In order to get a NPI, a provider must be a Health Care Provider as defined under HIPAA. Providers conducting services like transportation or carpentry are not considered Health Care Services and, therefore, are ineligible to get a NPI.

Who is required to get an NPI?

HIPAA defined a "covered entity" as a Health Care Provider, Clearinghouse, or Plan who conducts standard electronic transactions. The Final Rule for NPI requires a "covered entity" Health Care Provider to get a NPI.

Why should a provider get a NPI if he does not conduct standard electronic transactions?

Providers may need to be identified for billing purposes. A "non-covered entity" physician may be an attending physician for a hospital. Although he may not personally conduct electronic transactions, it may simplify hospital billing if the physician provides a NPI. Another example is a prescribing physician may be a non-covered entity. A pharmacy may need to identify the "non-covered entity" physician for billing purposes. For these reasons, HHS (Health and Human Services) has requested all Health Care Providers obtain a NPI.

Does that mean a "non-health care provider" cannot conduct EDI?

No, conducting EDI (Electronic Data Interchange) does not determine if the provider is providing health care services or not. A transportation provider may use EDI. Since a transportation provider cannot get a NPI, a different primary identifier must be used.

How will I know when DMAS will begin to accept NPI submissions?

DMAS is targeting January 1, 2007, as the starting date for accepting either a NPI or Medicaid Identifier in the transactions from trading partners. DMAS plans to notify providers six months in advance of the actual starting date of the transition implementation of the system's initial acceptance of NPI numbers.

Will DMAS have a hard effective date for NPI usage or accept dual formats for NPI?

DMAS plans to accept dual formats during the transition period for covered entities. After the compliance date of May 23, 2007, covered entities will be required to use their NPI in transactions. The transition period for NPI acceptance is targeted to be from January 1, 2007, through May 22, 2007.

Will Medicaid conduct a "bulk enumeration" for providers, or will each provider need to apply for the NPI?

DMAS will not conduct bulk enumeration for providers. If a provider desires to obtain a NPI, they will be responsible for either applying directly for a NPI, or as part of another organization's bulk enumeration process.

What is the link to the NPI application process on the CMS website?

For a provider to apply for a NPI through the Internet, go to http://www.nppes.cms.hhs.gov starting on May 23, 2005. Paper applications are being accepted by CMS as well.

Once a NPI is obtained, can a provider start using it?

No. System changes must occur before a NPI can be accepted by DMAS. If a NPI is used in lieu of a Medicaid Provider ID in a claim prior to DMAS' readiness announcement, it will be denied. A NPI acceptance date of January 1, 2007 is being targeted by DMAS.

Where can I find additional NPI information from CMS?

For the NPI link, go to:
http://www.cms.hhs.gov/hipaa/hipaa2/regulations/identifiers/default.asp

The National Plan and Provider Enumeration System (NPPES) requires a taxonomy code for a NPI application to be processed. Where do I get the taxonomy information?

The NPPES has multiple screens that allow selection of a provider type code and classification name/area of specialization. Certain taxonomy selections will require you to enter your license number and the state where the license was issued. A list of taxonomy selections that require license information is supplied by the application. There are also NPI Application Help screens to assist you.

DMAS FACTS

➢ Average number of claims processed per month: Over 4 million

➢ Customer service correspondence received in Fiscal Year 2004:
Over 30,000

➢ Amount of money spent on services in Fiscal Year 2004:
Over $4 billion

➢ Number of active recipients: 666,029

➢ Number of active providers billing in the last 12 months: 27,000